

REFERENCE TITLE: excess property tax payments; repayment

State of Arizona  
House of Representatives  
Forty-ninth Legislature  
First Regular Session  
2009

## **HB 2583**

Introduced by  
Representatives Konopnicki, Mason, Tobin, Senator Pierce: Representative  
Williams

### AN ACT

AMENDING SECTION 42-16214, ARIZONA REVISED STATUTES; RELATING TO PROPERTY TAX PAYMENTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2       Section 1. Section 42-16214, Arizona Revised Statutes, is amended to  
3 read:

4                  42-16214. Refund or credit of excess payments: definition

5       A. If judgment is awarded to a taxpayer who paid the taxes to the  
6 county treasurer:

7                  1. The county treasurer of the county in which the property is located  
8 shall pay the judgment out of monies collected from property taxes during the  
9 next fiscal year, unless there are sufficient amounts available in funds  
10 budgeted for that purpose by the county to allow an immediate refund. ~~, or,~~  
~~if both parties agree, the amount of the judgment may be credited toward any~~  
~~taxes that may be remaining due on the property that is the subject of the~~  
~~appeal, subject in either case to the approval of the board of supervisors.~~

11                  2. The amount of the judgment shall be ~~subtracted from the amounts due~~  
12 ~~to taxing jurisdictions in the next fiscal year in proportion to the amount~~  
13 ~~each received from the appellant's overpayment of taxes. The affected taxing~~  
14 ~~jurisdictions shall include in their budgets for the next fiscal year the~~  
15 ~~proportional amount of the judgment for which each is liable PAID BY THE~~  
16 ~~COUNTY FROM THE COUNTY GENERAL FUND.~~ Any increase in the budget because of  
17 the portion of the judgment being included is not subject to any budget  
18 limitation that may be prescribed by law.

19                  3. Interest ~~at the legal rate~~ on the overpayment or underpayment is  
20 payable from the date of overpayment or underpayment ~~AND MAY NOT EXCEED THE~~  
21 ~~PRIME RATE IN EFFECT AT THE TIME OF THE JUDGMENT.~~ For the purpose of  
22 computing interest under the judgment, if the tax was paid in installments, a  
23 pro rata share of the total overpayment or underpayment is considered to be  
24 attributable to each installment.

25                  4. ANY PROPORTIONAL REPAYMENT OF AT LEAST FIVE HUNDRED THOUSAND  
26 DOLLARS THAT IS DUE OR PAYABLE FROM AND AFTER JUNE 30, 2008 THROUGH JUNE 30,  
27 2009 MAY BE PAID TO THE COUNTY OVER A PERIOD NOT TO EXCEED FIVE YEARS AT AN  
28 INTEREST RATE THAT DOES NOT EXCEED THE PRIME RATE IN EFFECT AT THE TIME THE  
29 JUDGMENT WAS ENTERED OR AT THE TIME THE COUNTY BOARD OF SUPERVISORS FINALIZED  
30 A SETTLEMENT WITH THE TAXPAYER. THIS PARAGRAPH DOES NOT APPLY AFTER JUNE 30,  
31 2009.

32       B. A judgment in favor of an appellant who paid the taxes to the  
33 department shall be paid from the state general fund.

34       C. FOR THE PURPOSES OF THIS SECTION, "PRIME RATE" MEANS THE INTEREST  
35 RATE CHARGED BY BANKS ON SHORT-TERM BUSINESS LOANS AS DETERMINED FOR  
36 PUBLICATION IN THE BULLETIN OF THE BOARD OF GOVERNORS OF THE FEDERAL RESERVE  
37 SYSTEM, AS OF THE FIRST DAY OF THAT MONTH.

38                  Sec. 2. Emergency

39       This act is an emergency measure that is necessary to preserve the  
40 public peace, health or safety and is operative immediately as provided by  
41 law.